

# **FISCAL NOTE**

## **HB 3411**

April 9, 1998

**SUMMARY OF BILL:** Allows a member of the governing body of an energy distribution system (a municipal electric or municipal gas company) or an employee of such system to file an application for the formation of an energy acquisition corporation and to serve as a director of such corporation; also allows counties to form energy acquisition corporations.

### **ESTIMATED FISCAL IMPACT:**

**Increase Local Govt. Revenues - Exceeds \$100,000 / Permissive**  
**Increase Local Govt. Expenditures - Exceeds \$100,000 / Permissive**

**Decrease Local Govt. Expenditures - Exceeds \$100,000 / Permissive**

To the extent that such acquisition corporations are formed that would not have been formed in the absence of this bill, local governments will experience an increase in expenditures for the acquisition of resources and an increase in revenues from the distribution of such resources.

In addition, to the extent that such acquisition corporations are formed, it is estimated that local governments would decrease expenditures for the purchase of energy, since they would be able to purchase in bulk and negotiate a lower cost.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director